IN THE HIGH COURT OF JUDICATURE AT BOMBAY
APPELLATE JURISDICTION

CRIMINAL APPLICATION NO.3225 OF 1997

1. Hemakute Industrial Investment
2. Sushil Ratanlal Moraka
3. Shyam Sundar Deviprasad Chhawchharia
4. Suresh Shriram Gupta
5. Hariram C. Poddar.
6. Rajendra P. Karundia ...Applicants.

V/s

1. Central Bureau of Investigation
2. State of Maharashtra
3. UCO Bank (United Commercial Bank) ..Respondents.

Mr.N.K. Thakore, Vivek Sharma with Mr. Prakash Naik for the applicants.

Mr. R.F. Lambe for respondent No. 1

Mrs. M.M. Deshmukh,A.P.P. for State

CORAM : S.C. DHARMADHIKARI, J.
DATE : 1ST SEPTEMBER, 2006.

ORAL JUDGMENT

. By this application/petition under section 482 and 401 of Code of Criminal Procedure, the petitioners who are original accused 4 to 9 have challenged the order passed by the learned Special Judge, in Special Case No. 42/1994 framing charges against the applicants. In other words, the prayer is that the order dated 14th August 1997 be set aside and the proceedings in the Special Case be quashed. Prayer clause (a) of the present application reads thus:-

> "That the order dated 14th August, 1997 passed in Special Case No. 42 of 1994 by the learned Sessions Judge, framing charges be set aside and the charges framed and mentioned in Exhibit B hereto be set aside and the Petitioners be discharged and acquitted in Special Case No. 42 of 1994."

2. This Court admitted this application on 26th February, 1998 and proceeded to stay further proceedings in the above special case.

3. When this application was placed before me for hearing and final disposal, Mr. Lambay appearing for the first respondent, submits that this application is not maintainable. He submits that the order dated 14th August, 1997 is passed on an application for discharge made by the present applicants. Upon rejection of the said application and refusing to discharge the applicants, the Special Judge proceeded to frame the charges.

4. In his submission, once the charges are framed then this Court cannot consider the plea of the applicants for discharging them. There only remedy is now to raise contentions as raised in the present application before the Special Judge during the course

of trial. On that basis, they can plead for acquittal from the Special Case but now the stage of discharge is no longer available, once the charges are framed. He submits that the power under Section 401 of Cr.P.C., in this case, to set aside an order refusing to discharge applicants cannot now be passed, once the charges are framed. He also submitted that Section 482 of Cr.P.C. cannot also be invoked by the applicants, once the request is not to quash the process issued or any order passed in that behalf. Thus, the application cannot be proceeded further. Even if it is admitted, it must be dismissed as the application is infructuous, once the charges are framed.

5. He relies upon the judgment of Hon'ble Supreme Court in **(1979) 2 SCC, 179** (Ratilal Bhanji Mithani V. State of Maharashtra and others) .

6. On the other hand, Mr. Thakore appearing for the applicants, submits that firstly, the applicants are challenging not just the order passed on the discharge application but also the charges framed and order framing the same. This Court's powers under Section 401 and 482 of Cr.P.C. have been invoked by the applicants

in this case. The powers under section 482 of the Code have to be exercised sparingly but they are wide enough to take care of any such situation. In fact, this Court can exercise the powers to quash the proceeding in the Special Case itself, if it is satisfied that it is so necessary to do. The said powers cannot be limited or restricted in any manner and much less in the manner suggested by Shri Lambay.

7. Secondly, Mr. Thakore submitted that the petition was admitted by this Court, the charges have been framed prior to the Court admitting this petition. Since both the proceedings as also the orders refusing to discharge the applicants and framing charges are sought to be quashed, this Court admitted the petition and now it is too late in the day to contend that the petition is not maintainable.

8. After perusing the application, as also the orders under challenge and the relevant provisions of the Code of Criminal Procedure, I am of the view, that there is no substance in the objections raised by Mr. Lambay. This Court had admitted the application. It is now placed for hearing and final disposal. While it may

be true that such an objection could be raised even at this stage but in the facts and circumstances of the instant case, when this Court's power to quash both orders refusing to discharge the applicants and the order framing charges coupled with the proceeding in Special Case, itself has been invoked, the Court proceeded to grant Rule and issued interim order staying further proceeding before the trial Court in Special Case No. 42/1994, then, this objection does not hold good. Therefore, no useful purpose will be served if after a period of 9 years, I refuse to go into the merits of the matter. Apart from this, that would cause grave injustice to the applicants, whose application has been admitted and kept pending all this time. Further, as rightly pointed out by Shri Thakore the Judgment of the Hon'ble Supreme Court would apply to a situation where the Magistrate was exercising his powers of discharge. The Supreme Court in the paragraph relied upon by Shri Lambay has distinguished the concept of "discharge" and "acquittal". Distinction is made by the Hon'ble Supreme Court in the context of powers of Magistrate conferred by Cr.P.C. to discharge the accused. Once the charges are framed in a warrant case, instituted either on a complaint or police report, the

Magistrate has no power under Cr.P.C. to discharge the accused. The only course open is to acquit or convict them, unless the Magistrate resorts to the provisions set out in para 29 of the Supreme Court decision. In the case before the Supreme Court, after framing charges the Magistrate had proceeded to discharge the accused. That is without holding a trial. Such a discharge has been equated with an acquittal and which without trial could not have been justified. The Supreme Court's decision must therefore be read and understood in that factual context.

9. The Hon'ble Supreme Court in this case has not discussed ambit and scope of the powers conferred by Section 482 of Cr.P.C. Mr. Lambay does not dispute that this Court can exercise the said powers to secure the ends of justice. The decision relied upon by Shri Lambay, thus does not assist him. The objection raised by him is overruled.

10. Mr. Thakore appearing for the applicants-petitioners, contended that the petitioner No.5 is dead and therefore, the application cannot survive, as far as he is concerned. He has pointed out

to me that the Special Case is instituted on the basis that the petitioner No.1 was sanctioned certain facilities by UCO Bank, a Nationalised Bank. These credit facilities are on purchase of bills. The allegation is that the Bank Officials had no authority to grant the facility. The limits of their powers to sanction such facilities were circumscribed and they have exceeded the same. Similarly, the facility was extended on bogus bills. The allegation is that the petitioner No.1 Company and the Bank Officials entered into a criminal conspiracy and submitted bogus lorry receipt of M/s Gwalior Transport Corporation. They were shown to the Manager of this Corporation and in his statement he has stated that consignment/goods of the petitioner company were never booked by the said transport corporation. Thus, the charge is that by filing false and fictitious documents the credit facility is sanctioned to the company. The accused have cheated UCO Bank to the tune of Rs. 44,85,000 approximately. They have caused wrongful loss to the bank in the process of gaining wrongfully. This is the substance of the charges.

11. According to Shri Thakore in the application for

discharge, it was pointed out at Exhs. D1,D2 and D3, being the annexures to the application for discharge, that consent terms arrived at in Suit No. 1598/1992 would demonstrate that the lorry receipts and invoices submitted were not bogus and fictitious as alleged. In suit No. 1598/1992 filed by UCO Bank against the petitioner no.1 company and some of the applicants the bank has relied upon these very lorry receipts and other documents. Not only that, in pursuance of the suit and in an application for interim relief at the instance of the UCO bank, Court Receiver was appointed by this Court. The Court Receiver took all these documents into his custody and on the strength of the same, he issued sale notice in respect of the goods covered by the lorry receipts and invoices. The goods have been sold and third parties have purchased the same. Thus, if the Court Receiver has been appointed by this court on the basis that the lorry receipts and invoices, constitute a title in the goods in favour of the UCO Bank, as also the petitioner No.1 company, then, there is no substance in the contention that the documents are fictitious and bogus. In other words, Mr. Thakore submits that the Court receiver could not have been appointed, had these documents not been genuine. Once the lorry receipts and

invoices were found to be genuine by this court the Court Receiver was appointed. Therefore, the foundation of the allegations, levelled against the petitioner at the instance of the UCO Bank-original complainant does not survive. No charge could have been framed by the Special Judge in such circumstances. In such circumstances, the application deserves to be allowed. The learned Judge was in patent error in framing the charges. Even otherwise, this is a fit case, where this Court exercises its inherent powers, in as much the entire basis of the complaint is wiped out in the light of the averments made in the plaint. A competent Civil Court has found prima facie substance in the averments made in the plaint. The Bank cannot in one breath rely upon the documents and at the same time allege that they are bogus. If they can be made a basis of civil claim, then documents cannot be said to be fictitious and bogus. In any event, in his submission entire dispute is of civil nature. The bank has relied upon the fact that the facility as sanctioned, could not have been either sanctioned or if sanctioned availed of by petitioners herein. The Bank has proceeded and filed the civil suit. In the civil suit consent terms have been filed. A copy of the same is also annexed. In

these circumstances, this is a fit case for this Court to exercise its inherent jurisdiction and proceed to quash the criminal case.

12. Mr. Lambay on the other hand submits that the Special Case instituted by CBI on the basis of the complaint of UCO Bank Prima facie discloses the commission of offence which are serious in nature and punishable under sections 420, 468,471 of I.P.C. This is not the stage to go into the merits and demerits of the case. Once the learned Judge has found a prima facie case and on that basis framed charges, then it is not for this Court to go into the same and hold that the complainant would not ultimately succeed. A prima facie case of the documents being fictitious and bogus being made out, mere pendancy or disposal of the civil suit cannot be a bar for continuation of the proceeding before the Special Judge. In such circumstances, this Court should decline to exercise its inherent powers and proceed to dismiss the petition.

13. At the outset, it must be mentioned that when this petition was placed before this Court on 7th March, 2006 this Court directed that notice be issued to UCO

Bank-original complainant. The Petition was permitted to be amended by adding UCO Bank as respondent No.2. I am informed that notice is served but none appears for the Bank. Be that as it may, with the assistance of Counsel for parties, I have perused the petition, the annexures thereto and the affidavit-in-reply.

14. The learned Judge while considering the pleas raised by the applicants/petitioners for discharge has observed that the accused Nos. 1 to 3 before her were Officers of UCO Bank of Main Branch, the present petitioners are accused Nos. 4 to 9 private parties. According to the learned Judge, the criminal conspiracy inter-alia is submission of forged and fictitious documents in the matter of credit facility sanctioned to the firm of accused No.4. The learned Judge in her order, at page 22 of the paper book, after she has summarised the allegations, observes that the proposal for the credit facility was required to be processed by accused No.3, scrutinised by accused No.2 and then put to accused No.1 for final sanction. Accused No. 1, the then AGM of Bank had sanctioned the credit facility. He received the relevant documents. The statement of P.W. 4 was shown to the learned Judge and she has observed on

the basis of the same that the documents were not endorsed either by the Director or any other authorised person of the company. The audited balance-sheet was submitted by the party at the time of application which was not certified by any Chartered Accountant or Auditor. Only the letters of the sister concern were given with the application. The letters attached to the balance-sheet were not signed by any one. Therefore, P.W. 4 states that UCO Bank discounted bills of sister concern of accused No.4 also without verifying the bills purchased by the Bank at the time of said discount. The observations of the learned Judge in the initial part of the order are pertaining to accused Nos.1 to 3.

15. In para 3 of her order the learned Judge has taken note of the submissions of the applicants. It is not as if the submissions of Shri Thakore canvassed before me are being so canvassed for the first time. The pendency of the suit, the order on the notice of motion therein, the appointment of Court Receiver and the fact that the Court receiver took custody of the goods were all before the Special Judge. She is aware of the fact that even an Appeal was filed against the interim order on the notice of motion wherein the

parties tendered minutes. Accepting each of the averments in the plaint as true, the petitioners submitted to a Decree on Admission. A decree was thus passed by consent in terms of the consent minutes of order. It is in these circumstances, that I have to scrutinise the correctness of the findings of the learned Judge, even at this prima facie stage. The transaction is entered into in 1989. In the opinion of the learned Judge the falsity of the documents or their bogus nature cannot, prima facie, be judged from the factum of filing of the suit much later in 1992. The learned Judge further observed that the offence was complete in 1989. She observed that minutes of order do not show compromise of the offence in this case and it is therefore, the role of each of the accused in criminal conspiracy and using forged documents needs to be seen and in her opinion prima facie case is made out.

16. In my view, the learned Judge has clearly overlooked the basic principle that civil proceedings in this case were based upon the same documents which were stated to be bogus and fictitious. The learned Judge out to have verified this fact from the plaint in the said suit as also the minutes of Decree on Admission and

subsequent sale by the Receiver. It is clear that the suit was filed against the petitioner No.1 company for recovery of sum of Rs. 67,81,874.94 which is the liability under credit facility, which was sanctioned in favour of the petitioner No.1. An application was made by way of Notice of Motion No. 1320/1992 for injunction, appointment of Court Receiver and for sale and realisation of the securities. This Court on the notice of motion passed an order on 29th April, 1992 appointing Court receiver of the hypothecated properties and conferred upon him the power to take possession and custody thereof and thereafter put the same for sale. These are moveable properties. The basis for appointment of Court Receiver in respect of these movables was the same documents, lorry receipts and invoices. When the petitioners before me challenged the interim order in Appeal before a Division Bench, the Division Bench not only took cognizance of the appeal but proceeded to decree the suit itself as the present petitioners submitted to a decree before it. The minutes of decree on admission shows that the order in terms thereof was passed in the presence of the parties. That is as per the normal procedure followed in this Court on its original side. The terms of the minutes

are at page 44 of the petition-paper book. Clause 2, 3 of the minutes read thus:-

> "The Defendants apply for instalments to pay the balance of the decretal amount and also apply for release of the goods covered by the lorry receipts. The Defendants further offer to secure the balance of the decretal amount by charging to the extent of Rs. 40,00,00 out of the book debts mentioned in the list annexed hereto as "A" as well as the boiler belonging to the Defendants and lying at Munirabad, district Raichur Karnataka."
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> "Mr. Thakkar appearing for the Plaintiffs has opposed grant of instalments and has also opposed handing over of some of the goods covered by the lorry receipts. At this stage, Mr.Thakkar also states that all the lorry receipts are in the custody of the Central Bureau of investigation."

17. Thereafter, the Division Bench took note of the submission of the plaintiff bank at clause 4 of the minutes. A specific submission was made by the bank that all lorry receipts are in the custody of Central Bureau of Investigation. Despite this position, the Division Bench proceeded to pass the following order.

> " (a) Defendants are ordered and decreed to pay the balance of the decretal amount in six instalments, five monthly instalments of Rs. 8 lacs each and the sixth instalment for the balance amount. The 1st of such instalment to be paid on or before 5th August 1992 and subsequent instalments to be paid on or before the last day of each succeeding month thereafter. The Defendants undertake to this Hon’ble Court to pay the aforesaid decretal

amount on or before its due dates. It is clarified that if the instalment is paid within 15 days of its due dates it shall not be regarded as a default. The instalments shall be adjusted first towards costs and interest and then towards principle of MTLRs.

(b) Court Receiver, High Court Bombay appointed Receiver of the goods as per the order dated 29th April, 1992 shall complete the inventory as per the said order forthwith . Court Receiver to make inventory of the boiler mentioned in clause "d".

(c) The Defendants declare that the book debts mentioned in the list annexed as "A" are receivable by the 1st Defendants and are unencumbered. The Defendants undertake to this Hon'ble Court that they will not recover or realise the book debts more particularly set out in Annexure "A" hereto to the extent of Rs. 40 lacs in respect of which confirmation shall be obtained as mentioned herein till the entire decretal amounts are paid in full. The Defendants further undertake to this Hon'ble Court that they shall procure letters of confirmation from the said debtors to the extent of Rs.. 40 lacs on or before 5th August, 1992.

(d) The defendants further undertake that till the decretal amounts paid in full to the Defendants, the Defendants shall not dispose of or alienate or encumber or create any third party interest in respect of the boiler situated at Munirabad, district Raichur Karnataka. The defendants declare that the said boiler is unencumbered and is the absolute property of the 1st Defendant.

(e) The Defendants hereby charge the said book debts of Rs. 40 lacs from out of the book debts referred to in clause (c) above and boiler referred to in clause (d) above as security to pay the balance of the decretal dues.

(f) Defendants are permitted to take delivery of the goods covered by following MTLRs. nos. 98,

100 121, 122,125, 134, 164, 187, 213 221, 22, 236, 237 referred to in Exhibit "C" to the Plaint from the transporters directly on the Defendants further undertaking to this Hon'ble Court to bear and pay the demurrage and other charges of the said transporters. The Defendants shall also be permitted to take delivery of the goods covered by MTLRs. Nos. 116 and 120 not a part of the suit and referred to in Exhibit "C" to the plaint from the transporters directly on the Defendants undertaking to bear and pay the demurrage charges of the said transporters.

(g) On the Defendants paying the instalments on its due dates as provided above the Defendants shall be permitted to take delivery of the goods covered by the MTLRs as per the statement annexed as "B" on the Defendants undertaking to this Hon'ble Court that the Defendants shall pay demurrage and other charges claimed by the Transporters.

(h) Upon payment of the instalments mentioned in clause (a), hereinabove the security created in respect of the said book debts shall automatically stand reduced to the extent of 75% of the amount of instalment paid. The Defendants shall request the Plaintiffs to release the book debts.

(i) In the event of the Defendants committing default in getting the letters of confirmation as provided above and in default of payment of any one instalment provided above, the entire decretal amount then due shall forthwith become due and payable and the plaintiffs shall be entitled to forthwith execute the decree. For that purpose leave under Rule 314 of the Bombay High Court (O.S.) Rules is hereby granted.

(j) In the event of the decree becoming executable the Court Receiver, High Court, Bombay do stand appointed Receiver to take possession of the undelivered goods covered by the balance of the Lorry Receipts and sell the same and pay over the net sales proceeds to the

Plaintiffs and the excess if any to the Defendants.

(k) Without prejudice to the Plaintiffs rights to have the said goods sold, Court Receiver do stand appointed Receiver of the book debts mentioned in Annexure "A" hereto as well as the Boiler referred to above with powers to sell and dispose off the same and pay over net sale proceeds on realisation after deducting his costs, charges and expenses to the plaintiffs in or towards the balance of the decretal amount. In the event of there being any surplus, Receiver to pay over the surplus to the Defendants.

(l) The Court Receiver, High Court, Bombay do stand discharged after the decretal amounts are paid. The defendants undertake to this Court to bear and pay all costs, charges and expenses of the Court Receiver.

(6) The Defendants have no objection if the Plaintiffs adjust the balance of current account of the defendants as on 3rd September, 1991 viz. Rs. 2275.74p towards the decretal claim herein. The current account thereupon shall stand closed.

(7) 2/3rd of the return of the institution fees.

(8) Court Receiver and Prothonotary and Senior Master to act on the minutes.

(9) Decree to be drawn up expeditiously.

(10) Certified copy expedited."

. The Division Bench proceeded to confirm the Interim Order, it ordered and decreed to pay the amounts mentioned hereinabove in 6 instalments. Subsequently, it confirmed the appointment of Court Receiver of the

goods. The Division Bench directed the Court Receiver to take complete inventory and in sub-clauses (f) of para 5 page 46 and sub-clause (g), pertaining to the goods covered by the lorry receipts before me, the Division Bench directed taking of its Delivery Directly from the Transporter.

18. In my view, the suit and the claim therein was decreed in terms of these minutes. The Minutes ought to have been carefully read and perused by the learned Special Judge. Therefore, the settled principle that the orders of the civil Court would bind the criminal Courts and not vice versa aptly applies to the facts and circumstances of case. The learned Judge therefore, ought not to have recorded the finding that the charge in the present case is with reference to the transaction which was entered into in 1989, by ignoring the filing of the suit, the appointment of Court Receiver therein and the decree passed by the Division Bench. The very basis of the allegations against the petitioners at least, does not survive once both the original-complainant Bank and petitioners accept the genuineness, authenticity and correctness of the documents viz. lorry receipts, invoices and its

contents. Even the Transporter has not come forward to question them now and did not object to delivery of the goods. That apart, a competent Civil Court has accepted them. To my mind, it is not just that the UCO Bank proceeded to accept the genuineness of the documents. It is this Court which has also relied upon the documents and their contents and passed interim as well as final orders in the suit. That suit is filed by the Bank is not disputed. That to this suit the petitioners herein are parties is also not disputed. That the goods covered by these very lorry receipts and invoices was the subject matter of the criminal proceedings and the civil suit is also not disputed. In such circumstances, the learned Judge could not have ignored and brushed aside the orders of the Division Bench. It is not as if the learned Judge could go ahead and frame the charges against the applicants because of the fact that the transaction was entered into in the year 1989. The learned Judge was considering the application for discharge made in 1997. The special Case is of 1994. The suit is filed in the year 1992. The orders passed and the decree therein were very much relevant and would have otherwise affected the case against the present petitioners. In these circumstances, not only this

Court on its civil side accepted the fact that the bank had validly sanctioned the facilities and that the dues there under are payable but also proceeded to decree the claim by making a money decree and order in favour of the Original-Complainant-Bank. Such aspect would definitely have a bearing on the outcome of the Special Case in so far as the Petitioners before me. The learned Judge was in error in holding that the Minutes of the Decree on Admission have not compromised the offence. In my view, the Decree on Admission is in the civil proceedings. The orders of civil court being silent with regard to criminal proceedings is of no consequence. It is a well established principle of Law that decisions of civil Courts are binding on the criminal Courts. The converse is not true. (See AIR 1971 SC 1244 M/s Karamchand Ganga Prashad and another V/s Union of India and others). A Criminal Proceeding cannot be compromised as is understood by the learned Special Judge. The offences are compoundable, if permissible in law. Therefore, the approach of the learned Judge is vitiated. She was required to consider the aspect as to whether the charge can be framed and will hold good or the petitioners can be held guilty and sentenced for the offences alleged in the teeth of the

order of this Court in civil proceedings between same parties. It is from this angle the matter ought to have been looked and I have approached it from the same.

19. I am aware of the position in law that mere pendency of civil proceedings is not enough. A civil transaction may be involving a criminal element and that means that criminal proceedings do not automatically come to an end. However, the applicability of such principles must be seen in the facts and circumstances of each case. In the present case, I find much force in the contention of Shri Thakore that the learned Judge's decision to go ahead with the trial in the special case by ignoring the above mentioned germane aspects would warrant exercise by this Curt of its inherent powers under Section 482 of Code of Criminal Procedure to quash the proceedings.

20. Even otherwise, and assuming that a prima facie case is made out and charge can be framed, in my view, the powers under section 482 of Cr.P.C., are to be exercised sparingly but ultimately to secure the ends of justice. They should be exercised in the facts and circumstances of each case. It may be that the learned

Judge could not have straight way dropped the proceedings because of the minutes of order in the civil suit. However, the Decree in the civil suit puts an end to all claims of the original complainant Bank against the petitioners-accused. When the parties abided by the same and paid and received monies thereunder allowing criminal proceedings to go on would be an abuse of process of the Court. Therefore, it is necessary for me to step in and exercise my inherent powers also for this reason. In my view, ends of justice would be met if the proceedings in the Special Case are quashed as far as the petitioners are concerned.

21. In a recent Decision in M/s Zandu Pharmaceutical Works Ltd. and others V. Md. Sharaful Haque and others reported in **(AIR 2005 Supreme Court 9)** it is held by the Supreme Court that :-

> "Exercise of power under section 482 of the Code in a case of this nature is the exception and not the rule. The Section does not confer any new powers on the High Court. It only saves the inherent power which the Court possessed before the enactment of the Code. It envisages three circumstances under which the inherent jurisdiction may be exercised, namely (i) to give effect to an order under the Code, (ii) to prevent abuse of the process of court, and (iii)

to otherwise secure the ends of justice. It is neither possible nor desirable to lay down any inflexible rule which would govern the exercise of inherent jurisdiction. No legislative enactment dealing with procedure can provide for all cases that may possibly arise. Courts, therefore, have inherent powers apart from express provisions of law which are necessary for proper discharge of functions and duties imposed upon them by law. That is the doctrine which finds expression in the section which merely recognises and preserves inherent powers of the High Courts. All Courts, whether civil or criminal possess, in the absence of any express provision, as inherent in their constitution, all such powers as are necessary to do the right and to undo a wrong in course of administration of justice on the principle "quando lex aliquid alicut concedit, concedere videtus et id since quo res ipsae esse non potest" (when the law gives a person anything it gives him that without which it cannot exist). While exercising powers under the section, the Court does not function as a court of appeal or revision. Inherent jurisdiction under the section though wide has to be exercised sparingly, carefully and with caution and only when such exercise is justified by the tests specifically laid down in the section itself. It is to be exercised ex debito justitiae to do real and substantial justice for the administration of which alone Courts exist. Authority of the court exists for advancement of justice and if any attempt is made to abuse the authority so as to produce injustice the Court has power to prevent abuse. It would be an abuse of process of the Court to allow any action which would result in injustice and prevent promotion of justice. In exercise of the powers Court would be justified to quash any proceeding if it finds that initiation/continuance of it amounts to abuse of the process of Court or quashing of these proceedings would otherwise serve the ends of justice. When no offence is disclosed by the complaint, the Court may examine the question of fact. When a complaint is sought to be quashed,

> it is permissible to look into the materials to assess what the complainant has alleged and whether any offence is made out even if the allegations are accepted in toto."

Section 482 of Cr.P.C. reads thus:-

> "Nothing in this Code shall be deemed to limit or affect the inherent powers of the High Court to make such orders as may be necessary to give effect to any order under this Code, or to prevent abuse of the process of any Court or otherwise to secure the ends of justice."

22. The word "process" appearing in Section 482 Cr. P.C. cannot be construed narrowly. If the interpretation suggested by Shri Lambay is accepted then the provisions conferring inherent powers will not apply to pending proceedings. The word "process" is not be confused with a stage where the accused are summoned. In other words, the "process" appearing in Section 482 would cover all stages of criminal proceedings. Applying the above principles to the present facts and circumstances, in my view, for securing the ends of justice, it is necessary that the proceedings in Special Case No. 42/1994 are quashed qua the petitioners before me. The same are quashed in the light of the orders passed by the Division Bench of this Court in the Civil Suit and also because of the fact that the Court

Receiver has disposed of the goods and the title has now passed in some third parties. Hence, to avoid any other complication and when the UCO Bank itself has accepted the documents, it would be in fitness of things if the proceedings are quashed as above. Moreso, when the original complainant-Bank has not appeared and urged to the contrary before this Court.

23. For all the above reasons, the application succeeds and Rule is made absolute in terms of prayer clause (a) as far as the petitioners (Original Accused No. 4 to 9)

24. Needless to state that once the Special Case No. 42 of 1994 is quashed then the bail bonds in so far as applicant Nos. 2,3,4, and 6 would stand cancelled.

(S.C. DHARMADHIKARI, J.)